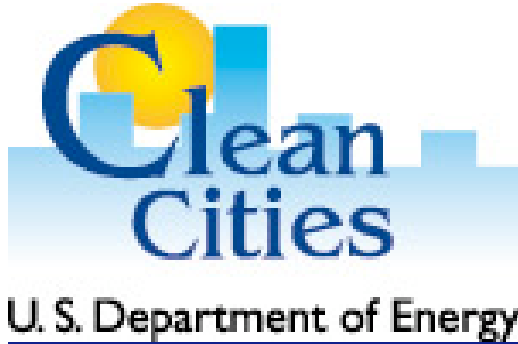
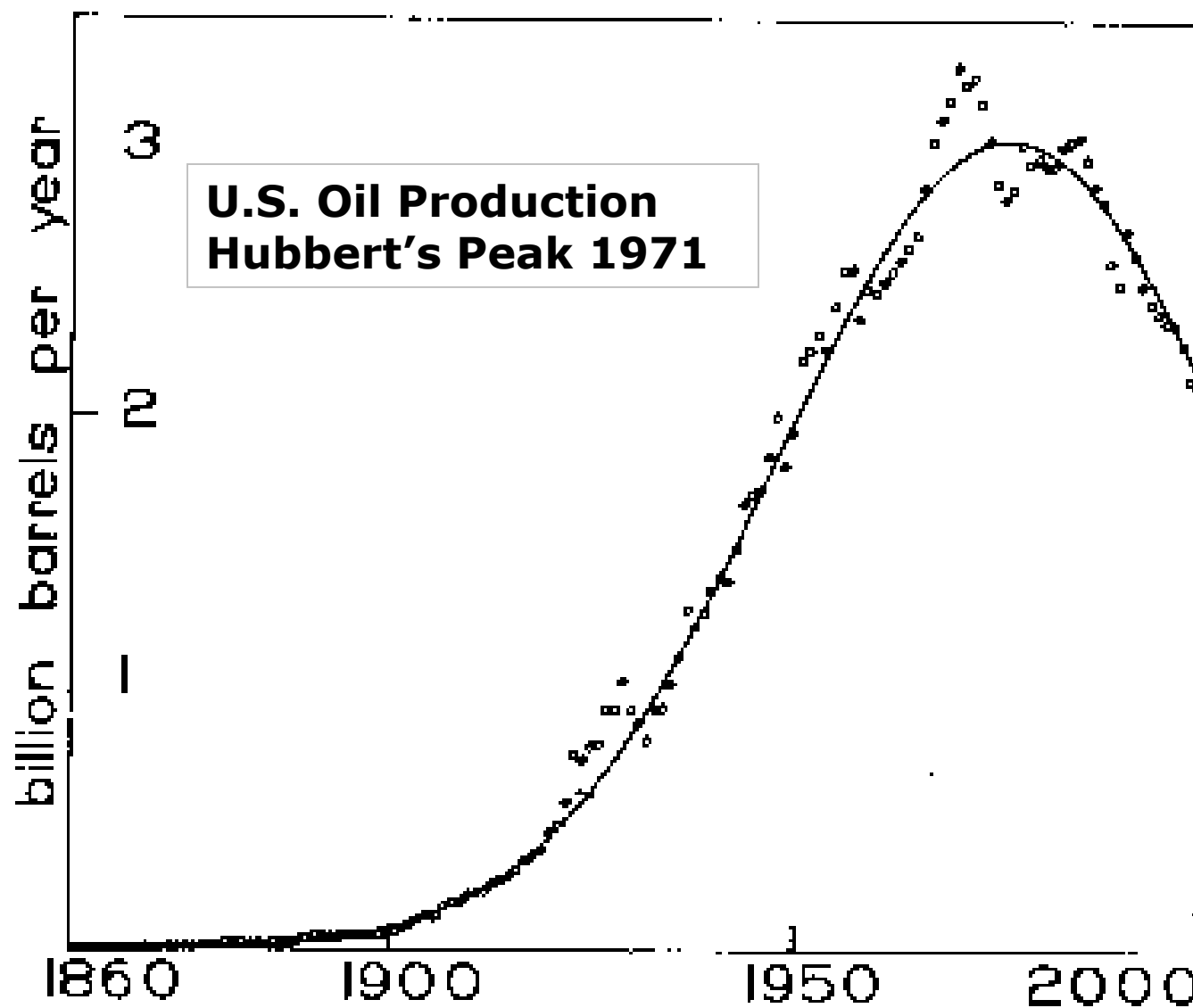


Brief overview of context in today's discussion + History/Benefits of Biodiesel



Colorado Springs Clean Cities

- The United States of America is the world's largest energy producer, consumer, and net importer.
- It also ranks eleventh worldwide in reserves of oil, sixth in natural gas, and first in coal

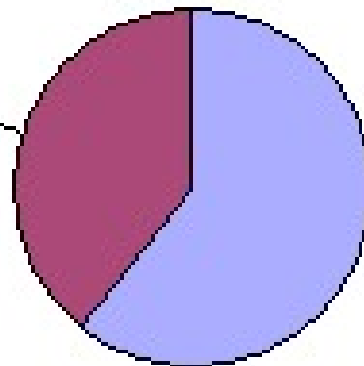


Annual production of U.S. crude oil (circles) with the best-fitting Gaussian curve superimposed as a solid line. Production from Alaska and from offshore oil fields is included.

US Oil Consumption, 2005

Total: 21,930,000 barrels per day

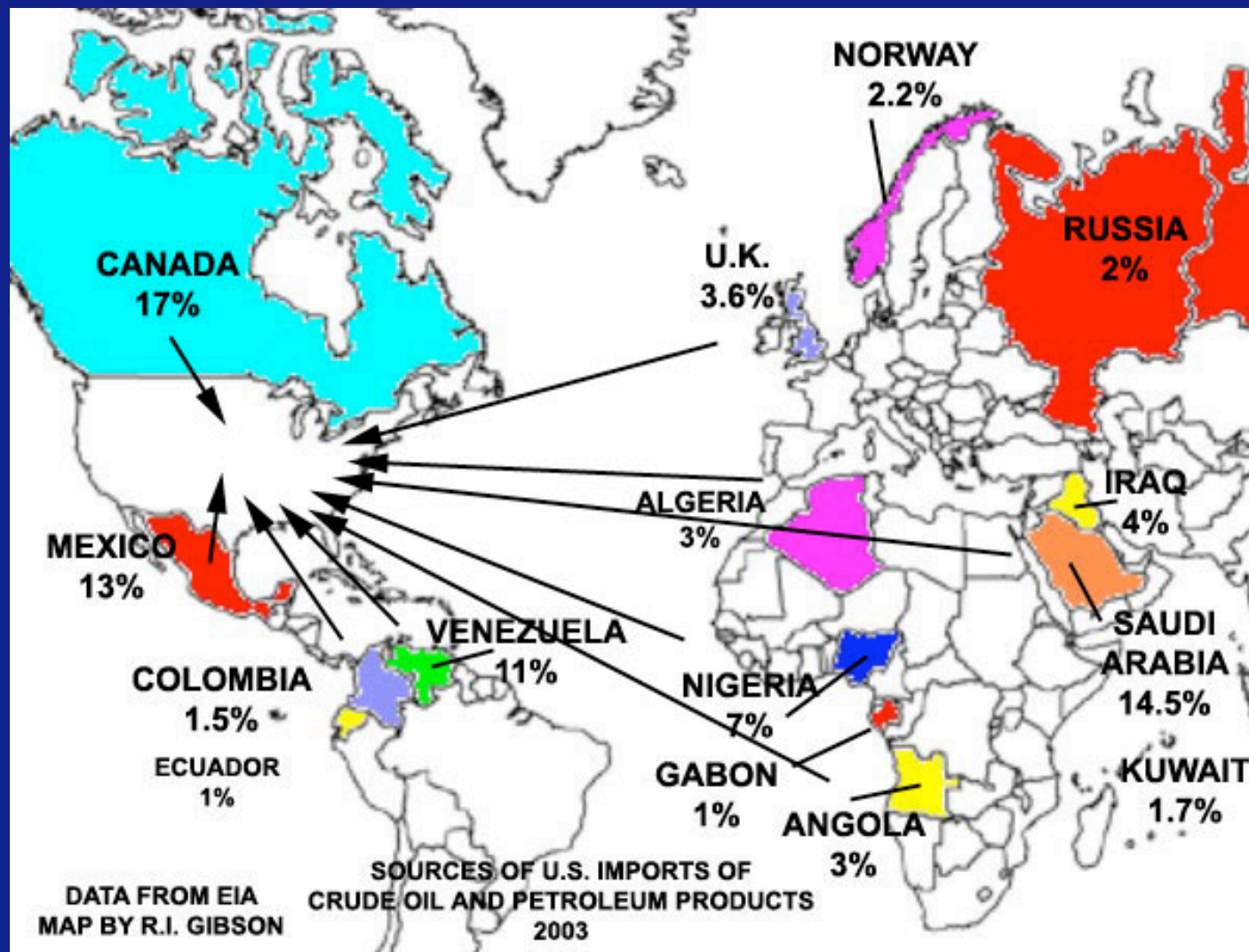
DOMESTIC
8.71 million
b/d, 40%



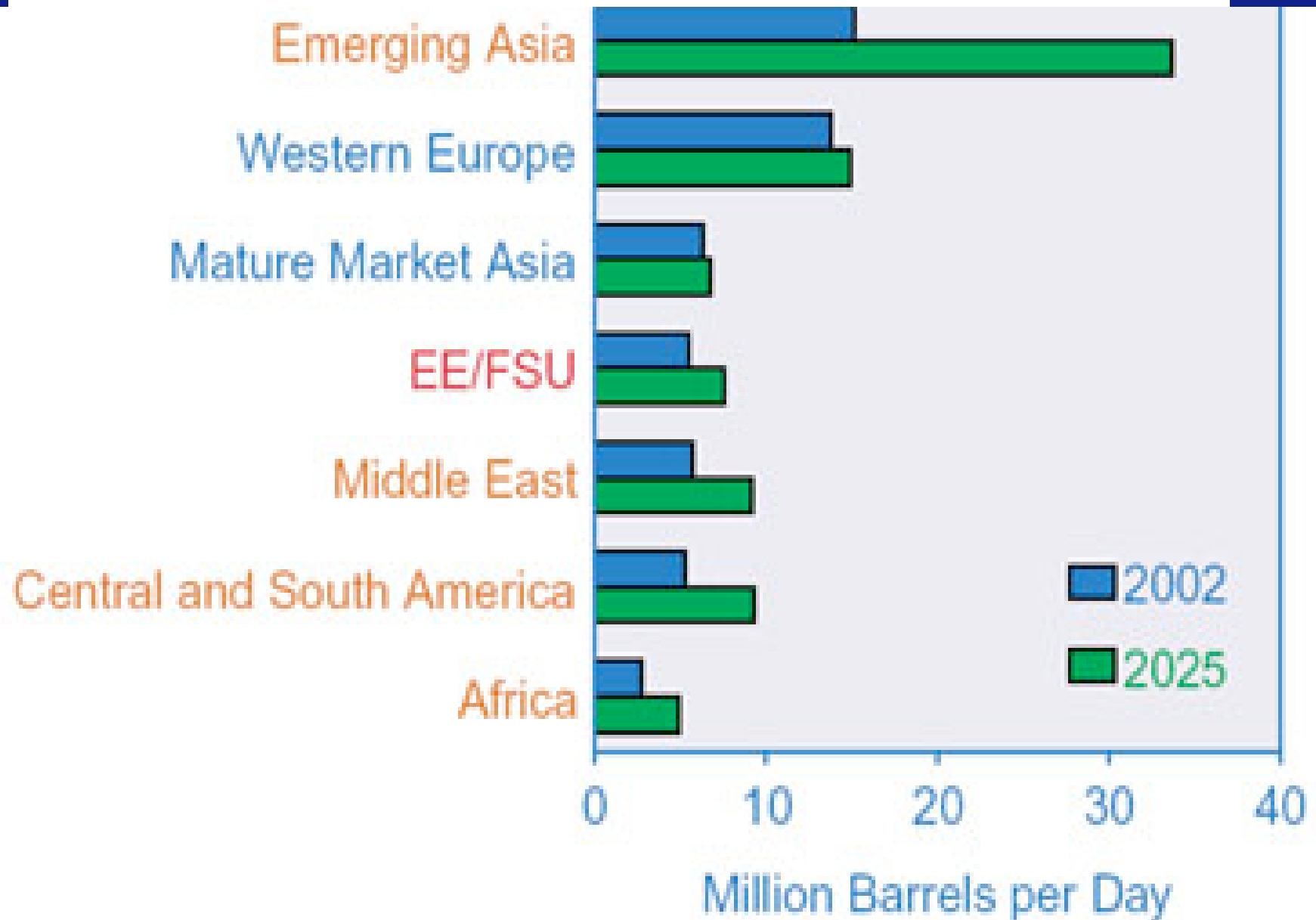
IMPORTS
13.21
million b/d,
60%

Leading Oil Consumers	Leading Oil Importers	Leading sources of US imports
USA (20 million barrels per day) China (5.6) Japan (5.5) Germany	USA (11.1 million b/d) Japan (5.3) Germany (2.5) South Korea (2.2)	Canada (17%) Saudi Arabia (14.5%) Mexico

Where U.S. gets its oil

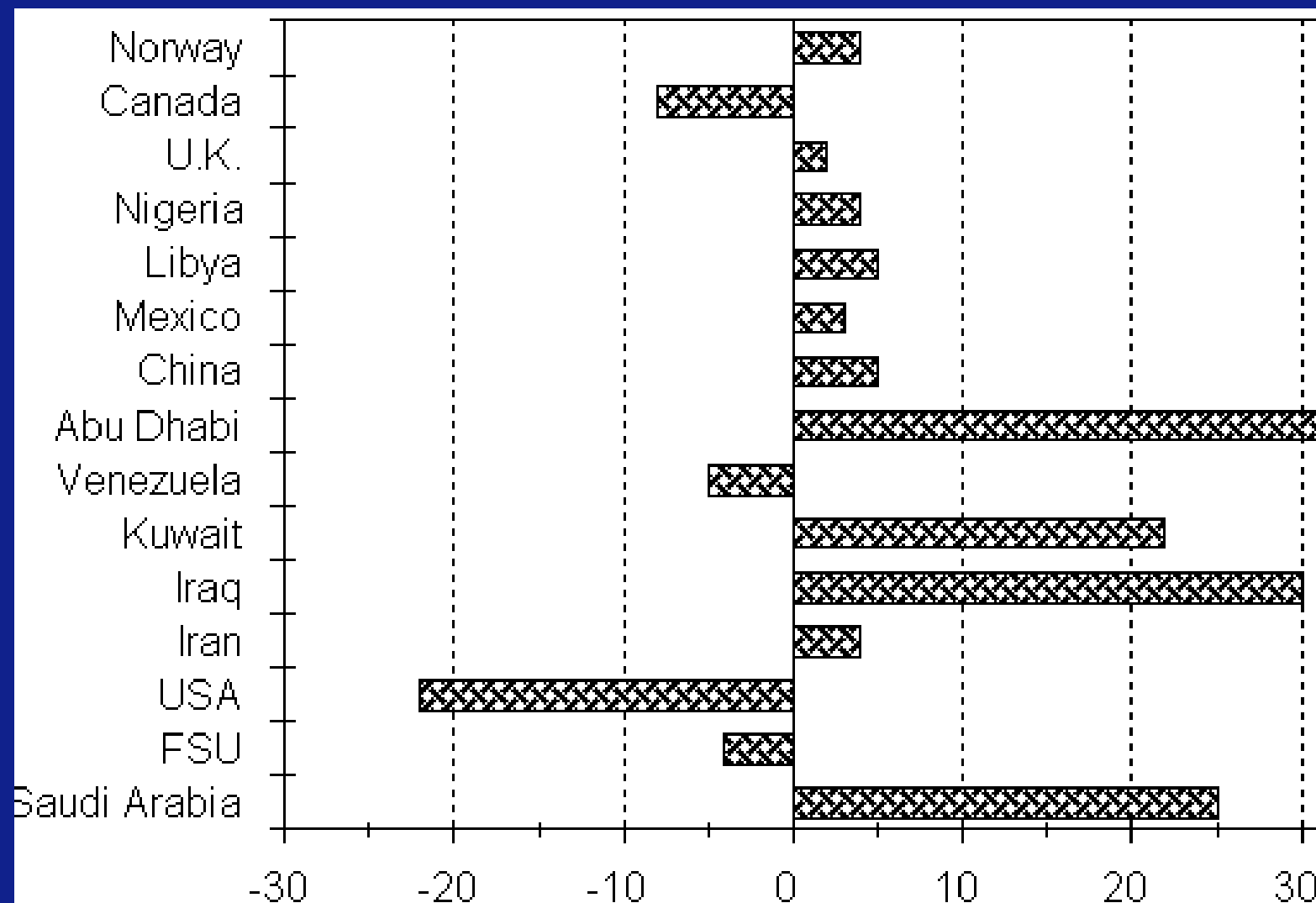


U.S. Crude Oil Imports by Source



Time to Depletion Mid Point (December 2003)

Source www.HubbertPeak.com



Historical World Oil Discovery and Production

Peak Discovery 1965
 Peak Production 2005
 Time-lag: 40 years

World - conventional oil

Mid-point year: 2005
 Ultimate 2050: 1800 Gb
 To-date 1999: 822 Gb

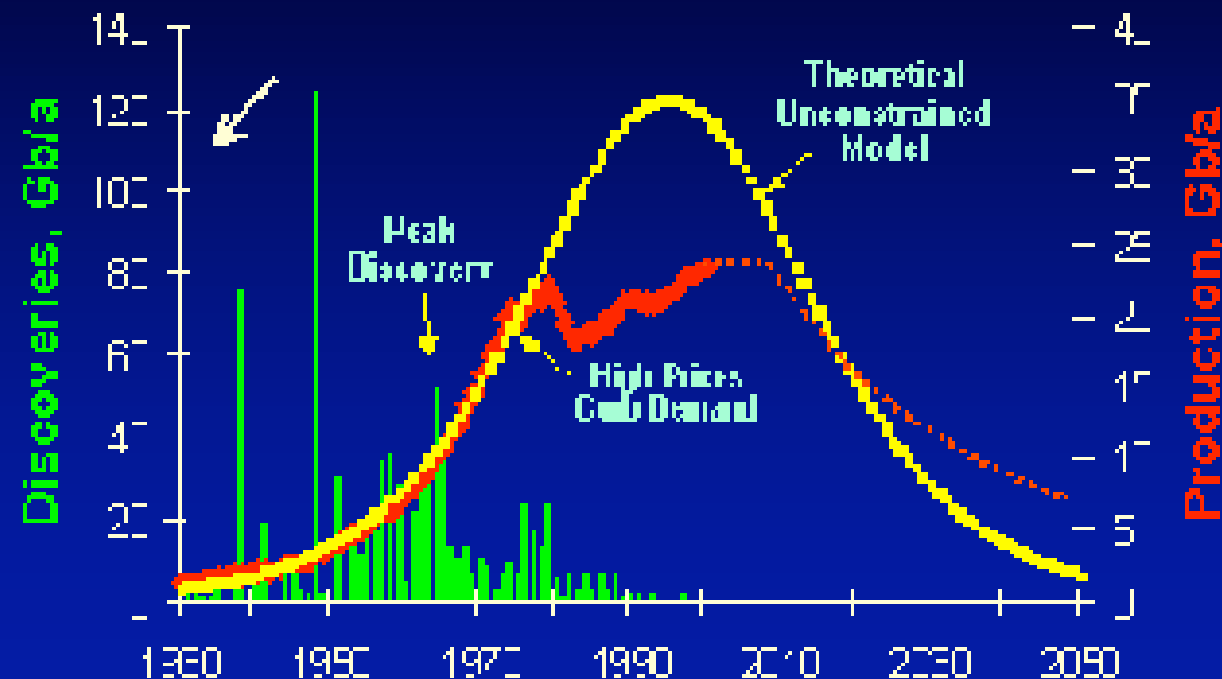


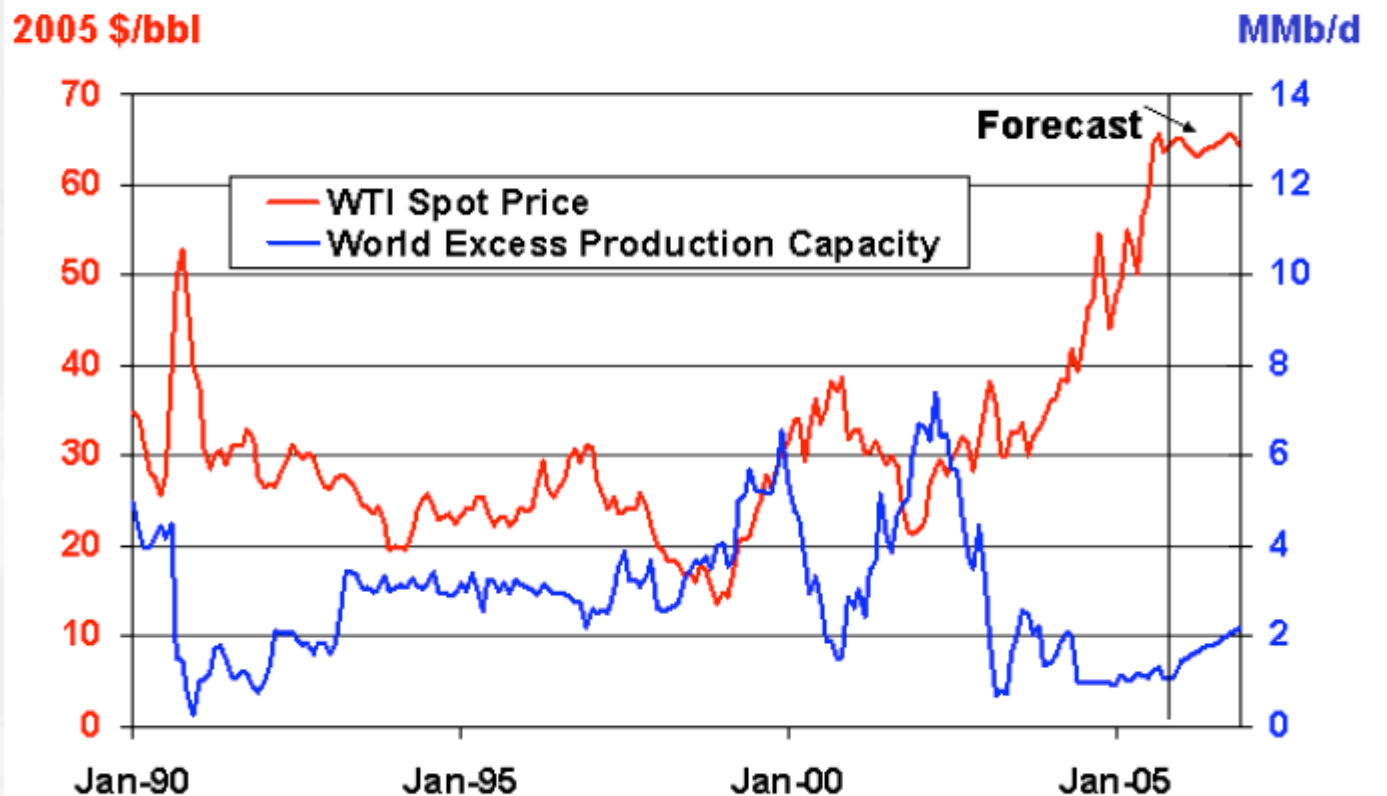
Table 1: Selected Reported Reserves (Gb) with Suspect Increases

Year	Abu Dhabi	Dubai	Iran	Iraq	Kuwait	Saudi Arabia*	Venezuela	Spurious Amount
1980	28.00	1.40	58.00	31.00	65.40	163.35	17.87	0
1981	29.00	1.40	57.50	30.00	65.90	165.00	17.95	0
1982	30.60	1.27	57.00	29.70	64.48	164.60	20.30	0
1983	30.51	1.44	55.31	41.00?	64.23	162.40	21.50	11.3
1984	30.40	1.44	51.00	43.00	63.90	166.00	24.85	0
1985	30.50	1.44	48.50	44.50	90.00?	169.00	25.85	26.1
1986	31.00	1.40	47.88	44.11	89.77	168.80	25.59	0
1987	31.00	1.35	48.80	47.10	91.92	166.57	25.00	0
1988	92.21?	4.00?	92.85?	100.00?	91.92	166.98	56.30?	192.11
1989	92.21	4.00	92.85	100.00	91.92	169.97	58.08	0
1990	92.00	4.00	93.00	100.00	95.00	258.00??	59.00	88.3

TOTALS: Declared Reserves for above Nations (1990) = **701.00 Gb** - Spurious Claims = **317.54 Gb**

EIA estimates of world oil spare production capacity

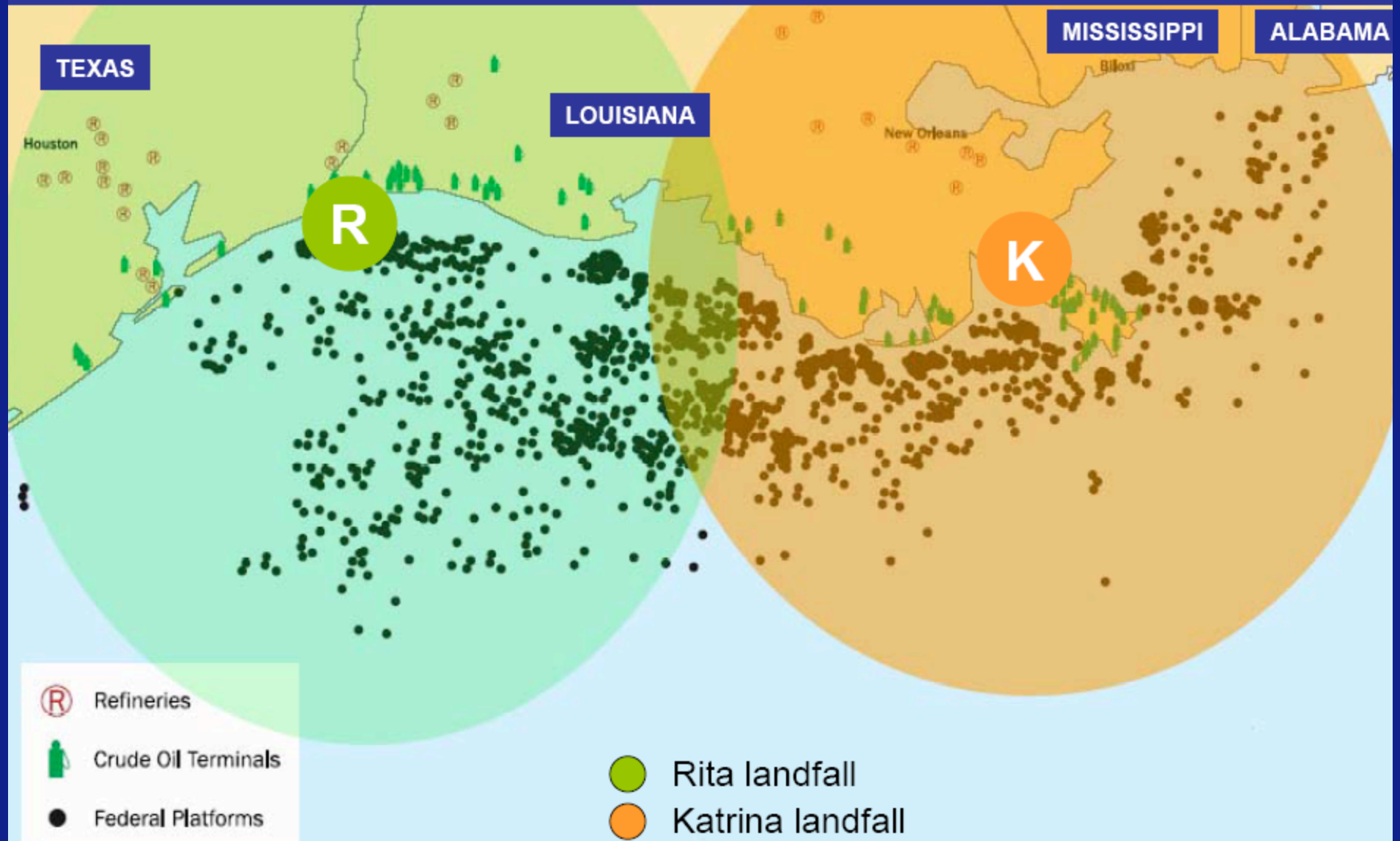
Spare global capacity (amount of extra oil that can be brought to market quickly) at lowest level in 30 years

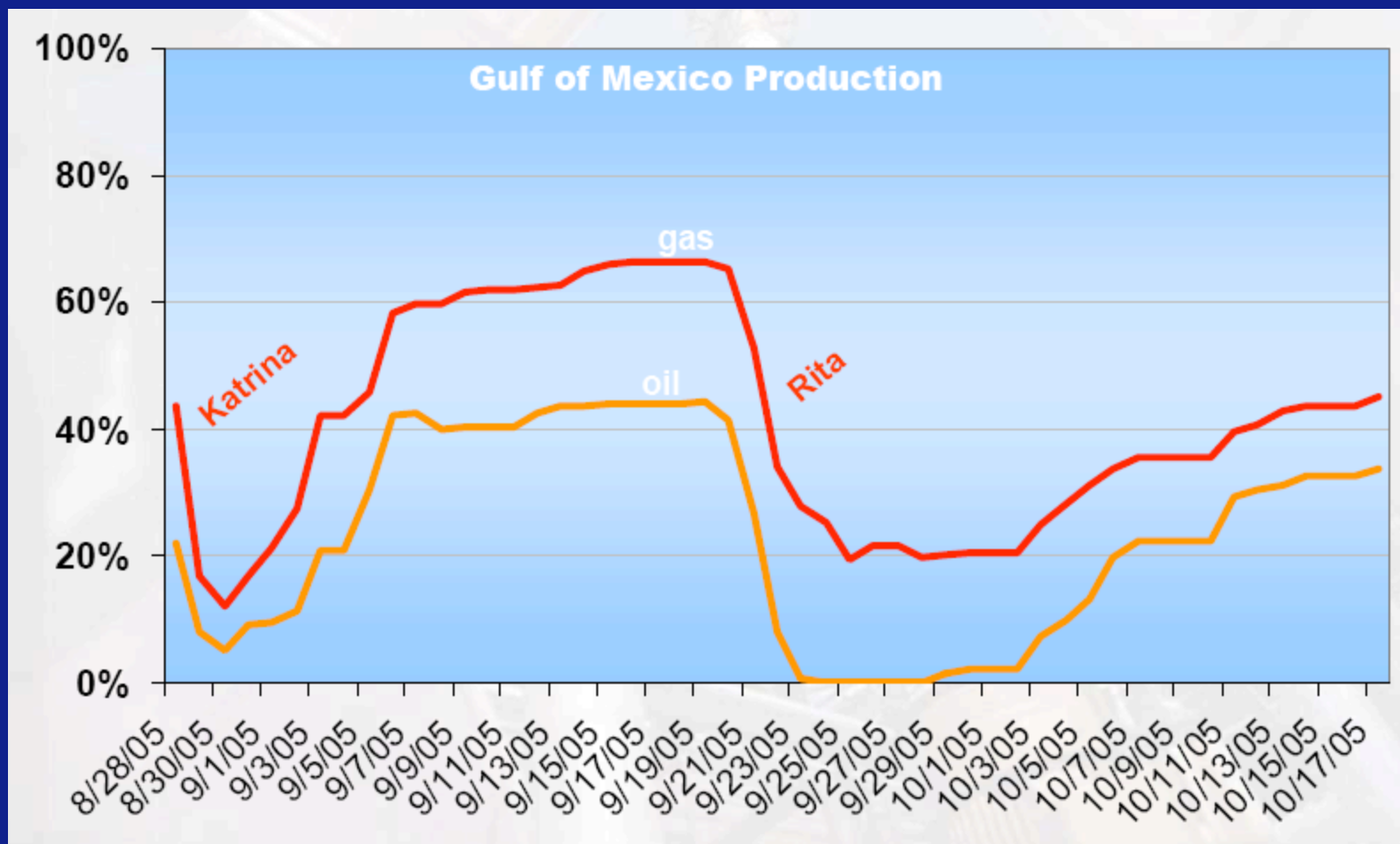


Short-Term Energy Outlook, October 2005



Hurricanes Rita, Katrina And Gulf Oil & Natural Gas Operations

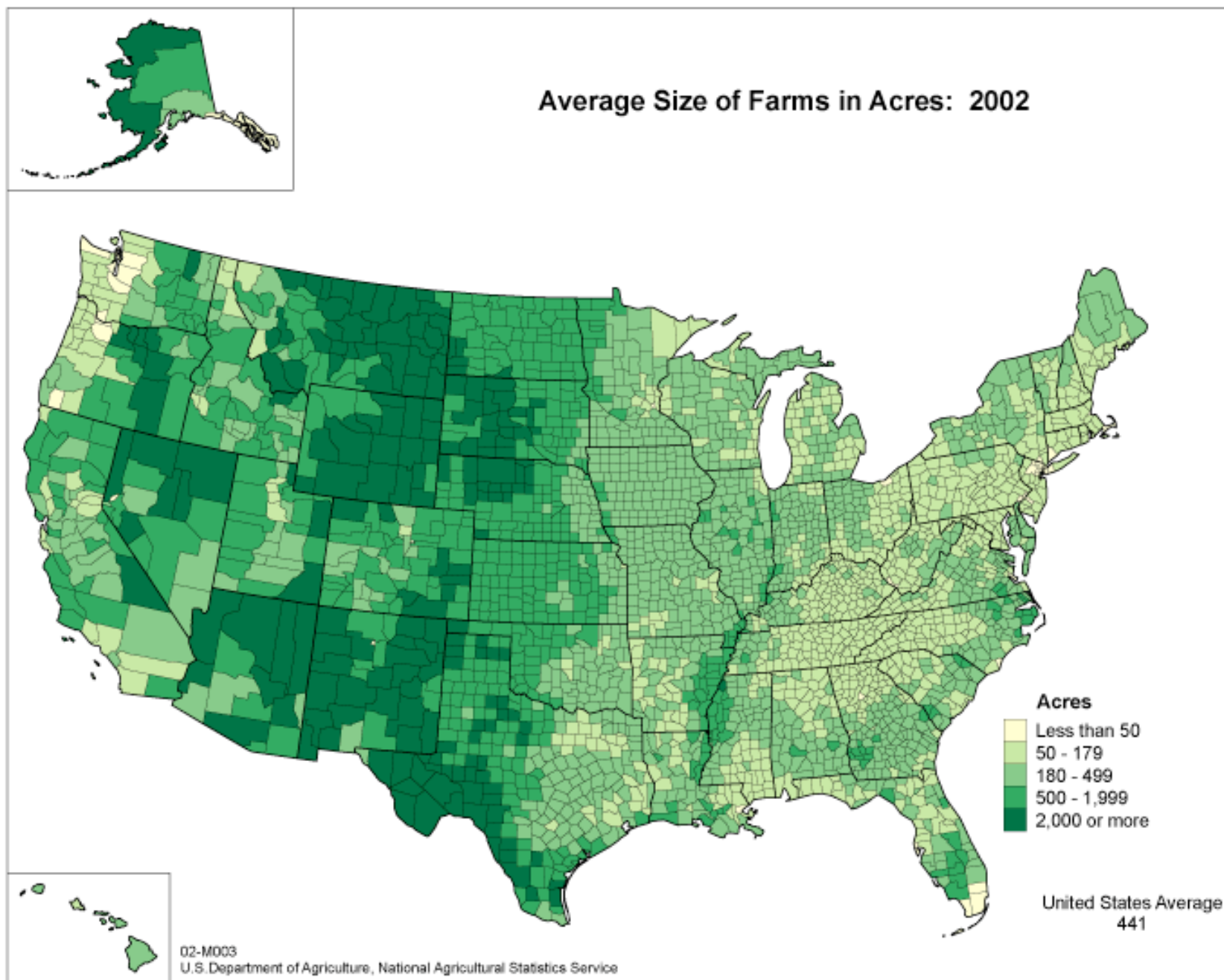




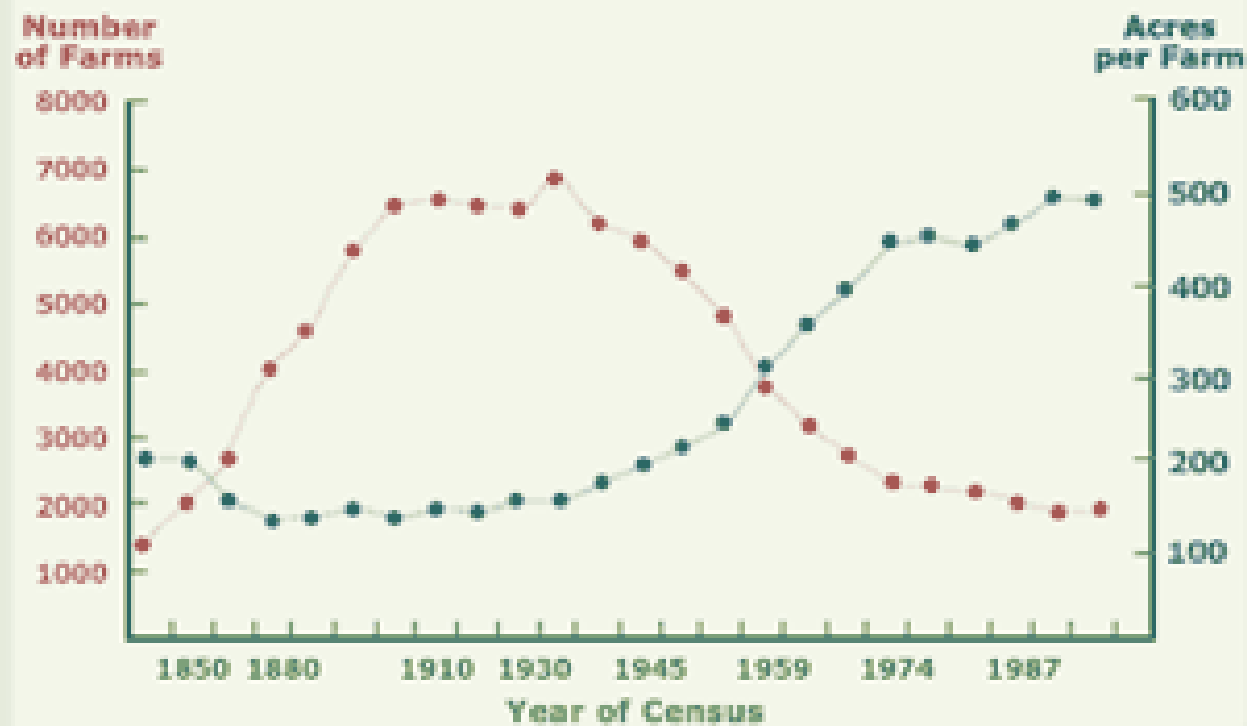
American Farms



Average Size of Farms in Acres: 2002

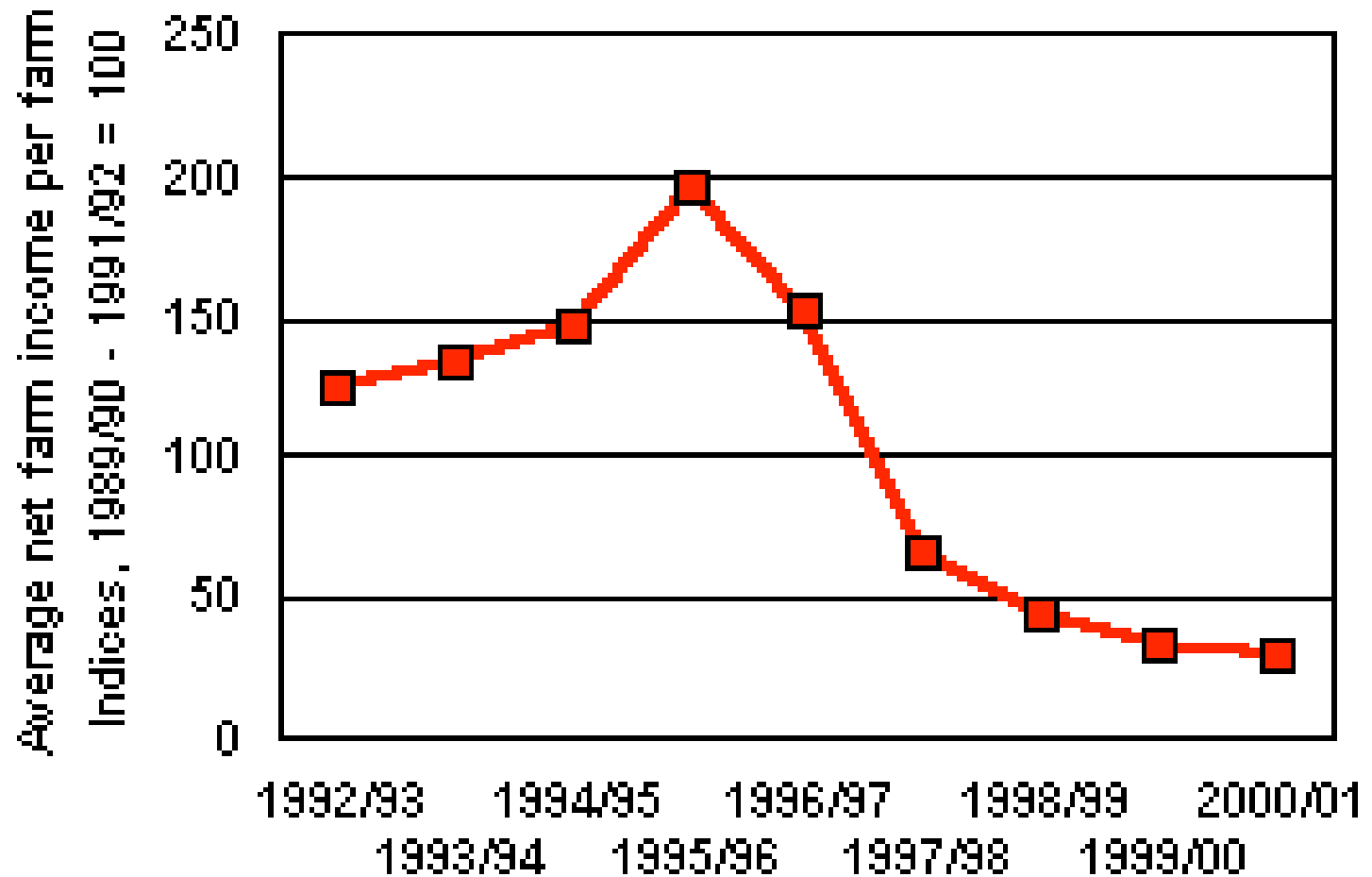


Number of Farms and Acres per Farm 1850 - 1997



Source: U.S. Bureau of the Census, 1900 - 1992 Censuses of Agriculture,
National Agricultural Statistics Service, 1997 Census of Agriculture

Net Farm Income



Domestically Produced Biodiesel

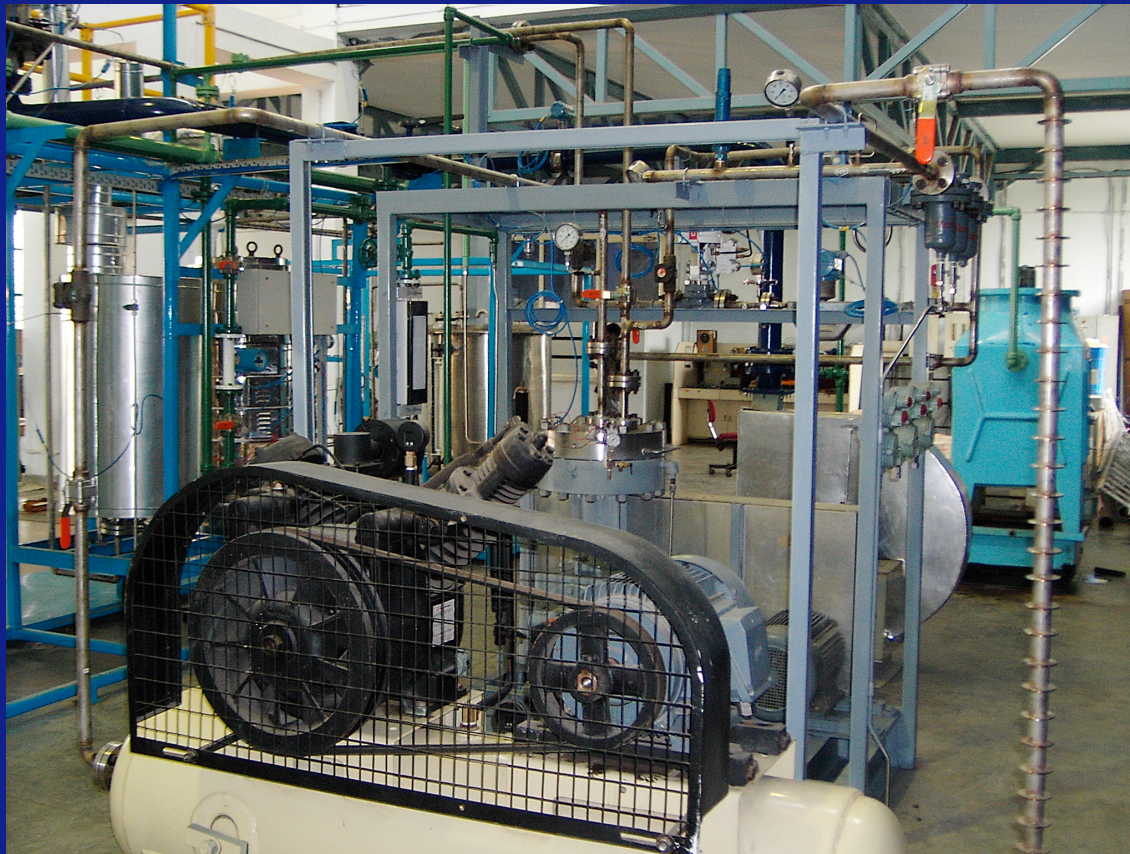


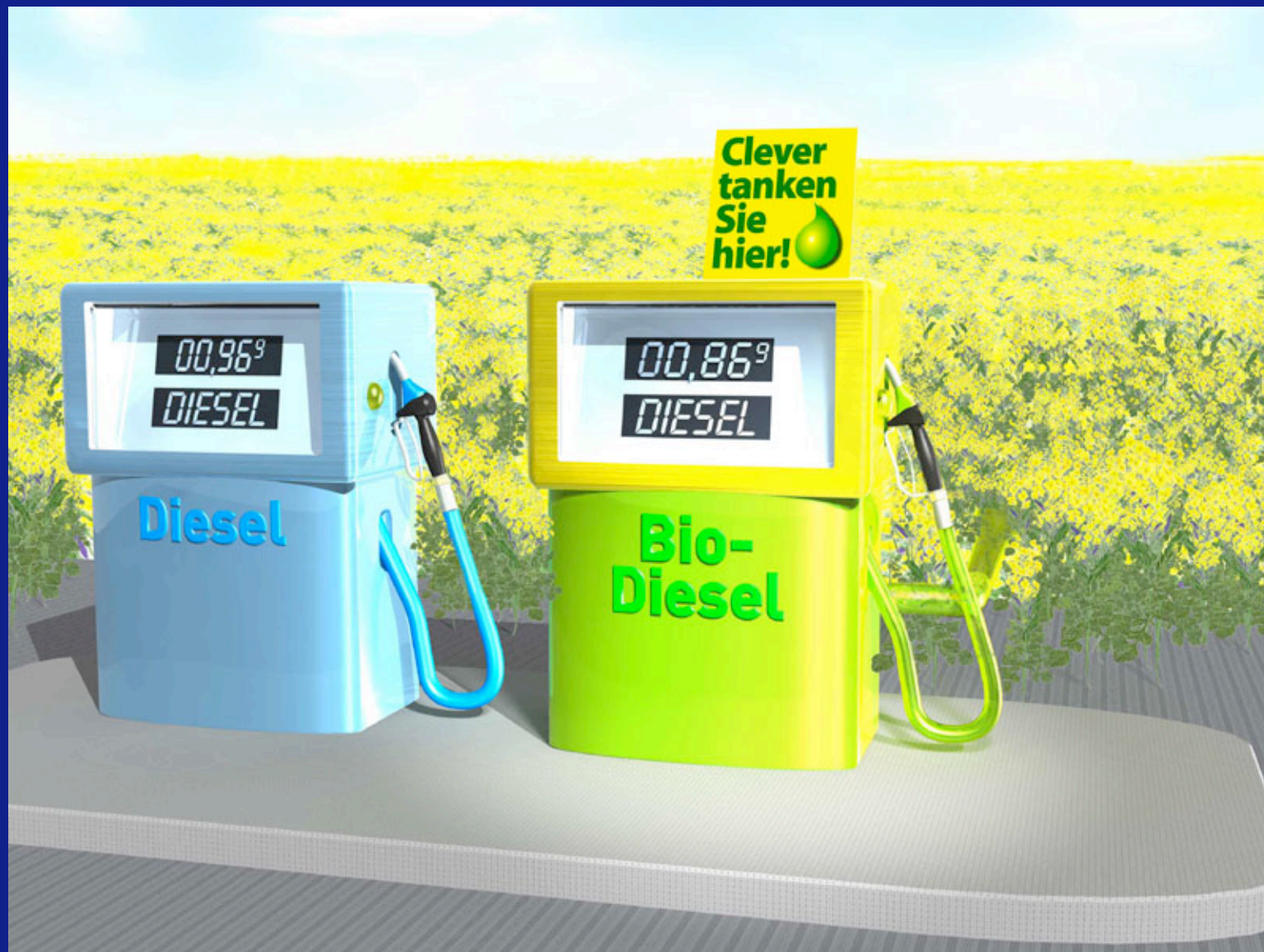
“The use of vegetable oils for engine fuels may seem insignificant today, but such oils may become, in the course of time, as important as petroleum and the coal-tar products of the present”

**Rudolf Diesel, inventor of the diesel engine, on April
13, 1912**

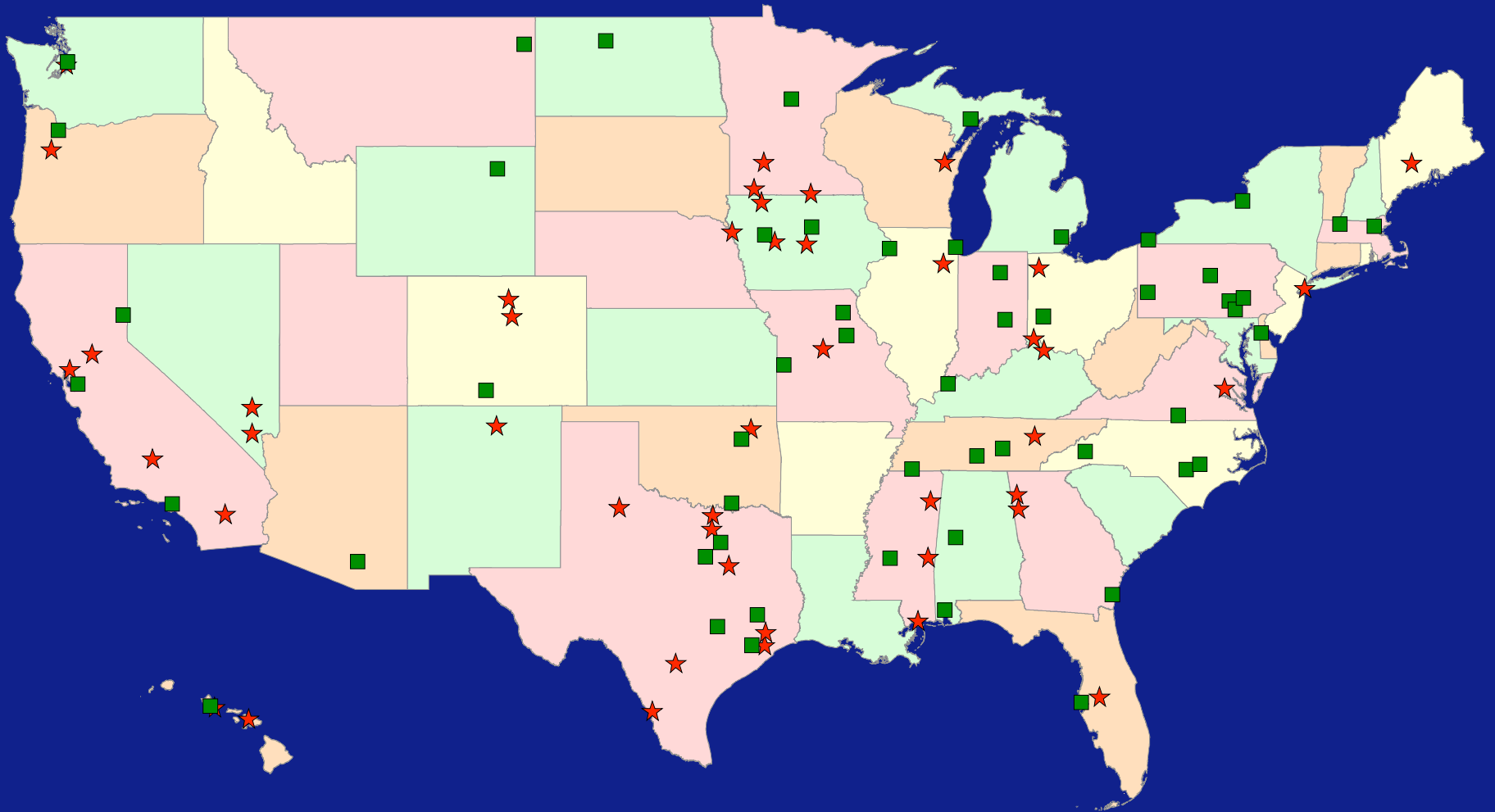


Production of Biodiesel

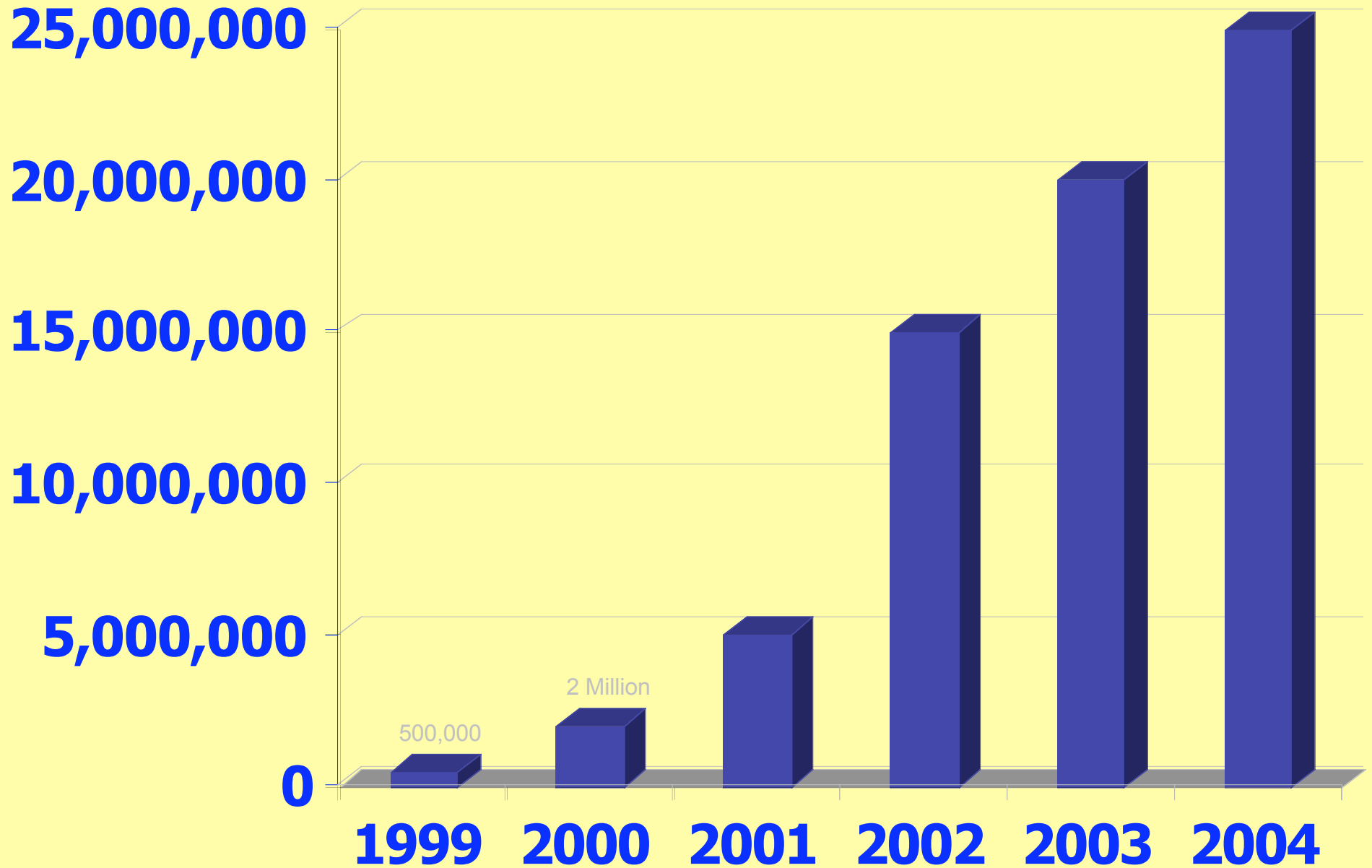




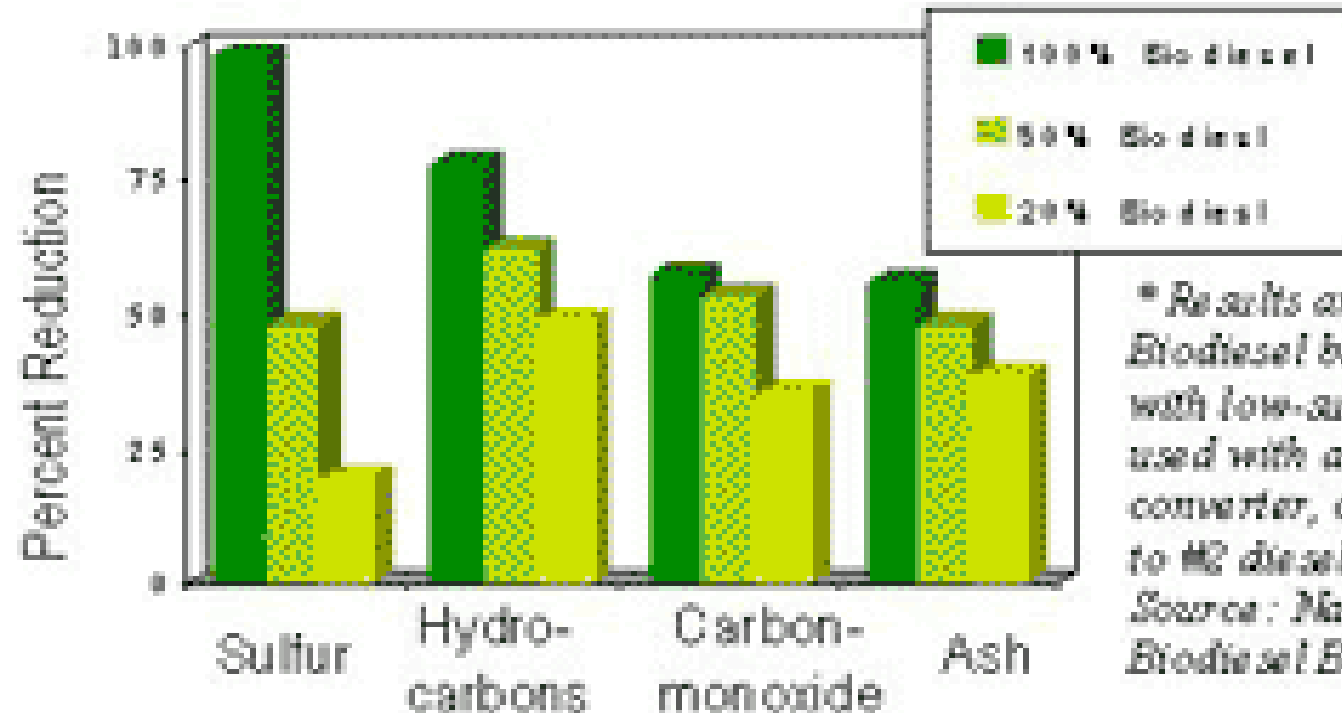
Active and Proposed Biodiesel Plants



Biodiesel Production *(in gallons)*



Emissions Reductions Achieved by using Biodiesel Blends*



* Results are for Biodiesel blended with low-sulfur diesel used with a catalytic converter, compared to #2 diesel.

Source: National Biodiesel Board

BIODIESEL REDUCES HARMFUL EMISSIONS

EMISSION TYPE	100% BIODIESEL	20% BIODIESEL
Carbon Monoxide	-43.2%	-12.6%
Hydrocarbons	-56.3%	-11.0%
Particulates	-55.4%	-18.0%
Nitrogen Oxides(NOx)	+5.8%	+1.2%
Air Toxics	-60% to -90%	-12% to -20%
Mutagenicity	-80% to -90%	-20%
Carbon Dioxide *	-78.3 %	-15.7%

Source: National Renewable Energy Laboratory (NREL)

Biodiesel Credit Extension

- Passed in Energy Bill
 - Through 2008 v. 2006
- Federal Excise Tax Credit
 - Taken at producer or blender level
- 50 cent credit for each gallon of biodiesel blended into diesel fuel
- \$1 for “agri-biodiesel”
 - First use veg oils and fats



Estimated
\$0.17 Bushel
increase in the price of
soy.

One bushel of soy produces

1 gallon of gas

Energy ratio approximately 1 to 3



Fuel blends

Blending relatively low levels of alternative fuels with conventional fuels is an important option for reducing petroleum use and an important strategy to reducing energy independence.

**Examples of blends include
E10 (10% ethanol/90% gasoline),
B5 (5% biodiesel/95% diesel),
B2 (2% biodiesel/98% diesel).**

**Blends can also consist of two types of
alternative fuels, such as hydrogen and
compressed natural gas (HCNG), which
might be a combination of 20%
hydrogen and 80% CNG, for example**

Number of Alternative Fuel Stations in Colorado and U.S

	CNG	E85	LPG	ELEC	BioD	HY
Colorado	21	11	72	4	22	0
U.S.	787	436	2,995	588	304	14

